

## **EXHIBIT B**

**From:** Allan Lebovits

**Sent:** Monday, August 26, 2019 4:59 PM

**To:** Louis Lebovits <Louis@bridgecityfunding.com>; Avi Schachter <aschachter@kandfilp.com>

**Cc:** nycdevmanager <nycdevmanager@gmail.com>; Toby Moskovits <toby@heritage-equity.com>; Eli Lefkowitz <elefkowitz@trefflowy.com>; Mark Schlanger <mschlanger@trefflowy.com>; marion gross <Marion@northsidedev.com>; Mark Kirschner <mark@northsidedev.com>

**Subject:** RE: Segal Hotel Loan Clarification

All:

The subject TS was executed by Borrower on June 6, 2019 and the loan has still not closed (due to Borrower's failure to provide the requisite Lender-requested items and/or display to Lender that it has the funds necessary to close and satisfy its equity requirements) nor has the full GFD been funded by Borrower in spite of numerous requests for same.

Accordingly, as conveyed last week by Avi and myself to Borrower and Borrower's counsel, should the loan not close/fund tomorrow, we will be walking away. We fully expect that Borrower will promptly pay all of Lender's costs and expenses associated with the subject transaction, in accordance with the TS.

Thank you.

AL

**From:** Louis Lebovits <Louis@bridgecityfunding.com>

**Sent:** Monday, August 26, 2019 1:43 PM

**To:** Avi Schachter <aschachter@kandfilp.com>; Allan Lebovits <Allan@bridgecityfunding.com>

**Cc:** nycdevmanager <nycdevmanager@gmail.com>; Toby Moskovits <toby@heritage-equity.com>; Eli Lefkowitz <elefkowitz@trefflowy.com>; Mark Schlanger <mschlanger@trefflowy.com>; marion gross <Marion@northsidedev.com>; Mark Kirschner <mark@northsidedev.com>

**Subject:** Re: Segal Hotel Loan Clarification

Michael:

Please confirm the below. Additionally, have you received consent from ER Moore?

We need responses and a closing scheduled imminently.

Thank you.

Louis

Sent from Nine

**From:** Avi Schachter <[aschachter@kandflfp.com](mailto:aschachter@kandflfp.com)>

**Sent:** Monday, August 26, 2019 10:10 AM

**To:** Allan Lebovits

**Cc:** nycdevmanager; Toby Moskovits; Eli Lefkowitz; Mark Schlanger; Louis Lebovits; marion gross; Mark Kirschner

**Subject:** Re: Segal Hotel Loan Clarification

Michael- Please confirm you have dropped the issue regarding predetermining advance amounts per floor.

Avraham R. Schachter, Esq.

Partner

Kriss & Feuerstein LLP

360 Lexington Avenue, Suite 1200

New York, NY 10017

Voice: 212-661-2900; Ext. 4171

Fax: 212-661-9397

Email: [aschachter@kandflfp.com](mailto:aschachter@kandflfp.com)

On Aug 26, 2019, at 9:41 AM, Allan Lebovits <[Allan@bridgecityfunding.com](mailto:Allan@bridgecityfunding.com)> wrote:

Loan balancing may be removed. That is all that should be reflected in the loan docs per the below e-mail. Nothing else.

Sent from my iPhone

On Aug 26, 2019, at 9:33 AM, nycdevmanager <[nycdevmanager@gmail.com](mailto:nycdevmanager@gmail.com)> wrote:

Guys -

As per the conversations Toby had with Allan, all references to loan balancing need to be taken out of the loan docs for Segal loan. There will be no loan rebalancing as the requisitions will be out of balance from the first moment.

The premise of this loan is that All Island is working with us and taking less money (\$350k per floor completion instead of the \$500k or more due per the contract). All Island will be paid the difference upon refinancing to a full construction loan - we obviously have a ten year working relationship with the guy and did numerous buildings with him, and there is a lot of trust involved.

Please adjust the loan docs to reflect these facts and take out any mention of loan rebalancing or anything similar requiring to be within the contractual budgets.

Thanks

Michael

Sent from my Verizon, Samsung Galaxy smartphone

----- Original message -----

From: Allan Lebovits <[Allan@bridgecityfunding.com](mailto:Allan@bridgecityfunding.com)>

Date: 8/20/19 12:50 PM (GMT-05:00)

To: nycdevmanager <nycdevmanager@gmail.com>

Cc: Toby Moskovits <toby@heritage-equity.com>, Eli Lefkowitz

<elefkowitz@trefflowy.com>, Mark Schlanger <mschlanger@trefflowy.com>, Avi

Schachter <aschachter@kandflp.com>, Louis Lebovits <Louis@bridgecityfunding.com>,

marion gross <Marion@northsidedev.com>, Mark Kirschner <mark@northsidedev.com>

Subject: Re: Segal Hotel Loan Clarification

There will not be definitive requisition amounts established. As is typical, we fund only based on verified monies expended and work completed, as approved and validated by our Engineer.

Sent from my iPhone

On Aug 20, 2019, at 12:48 PM, nycdevmanager <nycdevmanager@gmail.com> wrote:

Guys -

The business plan of this loan has always been the following:

At the closing, All Island Concrete is getting \$500k of the proceeds and will restart work.

From thereon All Island will be getting \$350k upon the completion of each floor thereafter.

The point of doing this loan is to get the superstructure up. As I told Allan when we discussed this loan to begin with, the single item and contractor that matters most to make this loan work is All Island Concrete.

The loan docs need to clearly reflect this business plan agreed to. If All Island will not get \$350k upon the completion of every floor he will simply not continue to the next floor. We can not have an engineer deciding to do the budget differently or to break up the numbers in a different way. As it is, per the contract All Island needs to get about \$500 per floor and he is doing me a favor, working with us and agreeing to do this for \$350k just to keep this moving forward. He is doing me a tremendous favor (I have been working with this guy for 10 years and he did 25 kent for us) so there is no place to change this as its already very tight and barely covers his own costs.

I am not sure where the lawyers went completely off track. This is not renegotiating as this was discussed very clearly from the start. This loan will work if All Island gets \$500k at the closing and then \$350k per floor - and all docs need to reflect that. The loan docs need to be clear so that whoever will be doing the site inspections needs to get clear marching orders about this. This is not something we can leave for the engineer to decide later how much to fund or when.

The budgets which we sent you always reflected that too, with \$700 per month to All Island which reflects 2 floors per month at \$350 each.

Hope this clarifies what I was trying to say last week and prevents any further misunderstandings.

Thanks  
Michael

<232 Seigel Budget 8-14-2019.pdf>